

TESTIMONY OF CHRIS BLACKBURN, ALASKA GROUND FISH DATA
U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
MAGNUSON-STEVENSON ACT HEARING
ANCHORAGE, ALASKA – JANUARY 18, 2000

SUBJECT
DEVELOPMENT OF FISHING COOPERATIVES FOR THE GULF OF ALASKA

I appreciate the opportunity to testify to this committee. I am Chris Blackburn, sole proprietor of the consulting firm Alaska Groundfish Data Bank which represents trawl vessels and processing plants in the Gulf of Alaska and Bering Sea.

In this presentation I am representing the portion of the Greater Kodiak Area of Alaska east of 157 degrees longitude west to 140 longitude degrees west as shown on the map in your packet. For simplicity's sake I refer to this area as the Greater Kodiak Area. Beth Stewart who is also speaking today represents the East Aleutian Borough which is west of the Greater Kodiak Area. We support the East Aleutians Borough's proposal. It meets their unique circumstances which are different from the Greater Kodiak Area.

During the fifteen years Alaska Groundfish Data Bank has been in business the harvesting of Alaska's marine resources has constantly changed. I remember when the foreign fleets caught Alaska's pollock and cod and flatfish, when U.S. vessels caught Alaska's marine resources and sold the fish to foreign processors, and the jubilation when all of Alaska's fisheries were harvested by U.S. vessels and processed within Alaska. Senator Ted Stevens helped with, if not initiated, each step in the evolution of Alaska's fisheries.

Alaska is blessed with tremendous marine resources which have been well managed by the North Pacific Fishery Management Council. Alaska's fishing industry, as most fisheries in the U.S., is, with a few exceptions, an open access fishery. Open access is a polite name for "race for fish". Alaska's fisherman take to heart need for sustainable fisheries, need to protect habitat, reduce bycatch, protect sea lions and bring to the dock or the deck of a factory trawler or mothership quality product.

Fishing open access is totally at odds with sustainable fishing, with reducing bycatch, and producing quality products. Open access results in an ever tightening spiral in the race for fish and the evaporation of profits. For example, processors have had to freeze whole Pacific cod and send it to Asian markets for processing, simply because more cod was delivered than the processor could handle. Less than optimal fish may be delivered because the race for fish does not allow waiting until the fish school up or recover from spawning.

As the race for fish intensifies, the fishing seasons shorten and small vessels, considered the most ecologically sound, are left waiting weather and perhaps losing the entire season for a species.

The best science possible is used in managing Alaska's fish, but the management of the fishing fleet effort has remained Neolithic. The American Fisheries Act was a brilliant solution for rationalizing the Alaska pollock fishery. It allows the Bering Sea pollock fishermen to opt out of the race for pollock. The At Sea trawlers who fished as a pollock co-op in 1999 increased recovery (the amount of the fish used) by 20%.

The benefits of co-ops are obvious. Unlike IFQ's co-ops do not privatize a national resource nor is a fisherman who wants to continue fishing open access have to coop. Those who do choose to co-op receive the benefit of having their own quota as contractually arranged in the co-op so that they may fish at the times that are most suitable for the vessel and the processor.

GULF EXCLUDED FROM THE AMERICAN FISHERIES ACT

The Greater Kodiak Area pollock fishery was not included in the final draft of the American Fisheries Act. The Greater Kodiak Area processors and fisherman request that this oversight be remedied.

We ask that the Greater Kodiak Area pollock processors be limited as they were in the Bering Sea. This requires a Congressional Bill. Currently there are seven processors in Kodiak – Alaska Fresh Seafoods, Alaska Pacific Seafoods, Western Alaska Seafoods, Trident Seafoods, Ocean Beauty (aka Kodiak King Crab), International Seafoods, and Cook Inlet Seafoods. Outside of Kodiak the Cook Inlet Seafoods plant in Seward and the North Pacific Processors Cordova plant also process pollock.

We also ask that the bill allow that co-ops be formed if 80% of a processors fleet (the vessels which fished for that processor in 1999) vote to co-op as was done in the Bering Sea.

Because of the great diversity in vessel size and fishing patterns in the Greater Kodiak Area we ask that the qualifying years for vessels be 1995 thru 1999. To qualify as a Greater Kodiak Area co-op vessel, the vessel must have made at least one landing in each of two years. Catch history for the eligible vessels is proposed as the average of the three best years within 1995 thru 1999. Pollock discarded at sea or sent whole to a meal plant cannot be counted in a vessel's catch history. There are no tonnage or landing criteria.

Vessels that are Bering Sea American Fisheries Act vessels may also qualify to co-op in the Greater Kodiak Area of Alaska.

Processors need to be part of the co-op structure. This need was recognized in the American Fisheries Act which named the Bering Sea shorebased plants, motherships and factory trawlers eligible for co-ops. If the processors are not limited they will continue to be overcapitalized which means less profit for the plant and for the vessels. The inevitable outcome will be fewer processors due to mergers or bankruptcy. Hardest hurt will be the small companies and family owned businesses.

If diversity of processors, vessels and product forms are to be maintained in the Alaska coastal communities pollock coops must be available for all pollock processors and vessels. If the ability to develop coops in the Greater Kodiak Area is granted as we propose the coastal communities will have the economic stability necessary to survive.